

**Veterans Services Foundation  
Board of Trustees  
Meeting Minutes  
July 26, 2006**

A meeting of the Veterans Services Foundation (VSF) was held on July 26, 2006 at the American Legion Department of Virginia Building in Richmond.

**Members Present:**

Vincent Burgess, Lydia Dudley, Margaret Eure, Paul Galanti, John Hanson, Frank Louthan, Jr., and Ray Smoot

**Members Absent:**

Supriya Christopher, Leroy Gross, and Frederic Leigh

**Others Present:**

Harry Warner, Executive Director, Virginia War Memorial Foundation  
Roger Sullivan, Virginia Veterans Coalition  
Roger Overstreet, Virginia Veterans Coalition  
Bill Bartlett, Virginia Veterans Coalition

**DVS Staff Present:**

Don Ferguson, Senior Assistant Attorney General, Office of the Attorney General  
Steven Combs, DVS Director of Policy and Planning  
Anne Atkins, DVS Director of Communications  
Armistead Ransone, DVS Director of Administration and Finance  
Roz Trent, DVS Director of Board Operations

**Materials Distributed:**

Meeting Agenda; Draft Minutes of the February 8, 2006 meeting and April 13, 2006 retreat; Draft Summary Report of April 13, 2006 Veterans Services Foundation Board Retreat; Revised VSF Membership Listing; Executive Order 19 (2006) (EO 19); Draft Policy for Operations of VSF

**Opening and Pledge of Allegiance**

The Chairman called the meeting of the Veterans Services Foundation (VSF) Board of Trustees to order at 11:10 a.m. on Wednesday, July 26, 2006, at the American Legion Department of Virginia Building, located at 1708 Commonwealth Avenue in Richmond. The members recited the pledge of allegiance to the American flag.

**Roll Call of Members and Quorum Determination**

The roll was called and a quorum of six of ten members was recorded as present. Paul Galanti arrived after the roll was called.

**Review and Approval of Meeting Minutes**

The minutes of the February 8 meeting and April 13, 2006 retreat and the April 13, 2006 Draft Report Summary of the VSF Board Retreat were reviewed. Margaret Eure made a motion that the minutes be approved as written. Ray Smoot seconded the motion. The motion was then approved unanimously.

### **Commissioner's Comments**

Commissioner Burgess introduced Anne Atkins and Armistead Ransone. Anne is an on-loan executive from the Department of Motor Vehicles for a one-year period. She has 30 years of state service working in the areas of marketing and communications. She serves as DVS Director of Communications. Armistead is a career state employee, retiring from the Department of Mental Health, Mental Retardation and Substance Abuse Services as budget director. He is working as a part-time employee of DVS as Director of Finance and Administration, managing the operations of the financial management system for the agency.

The Commissioner commented that 2006 was one of the more successful budget years for DVS. Many initiatives were passed primarily due to support of Governors Warner and Kaine, strong bi-partisan support from the General Assembly, and support from other DVS boards.

- **Care Centers**
  - 30 positions, including 25 certified nursing assistants, approved for the Virginia Veterans Care Center for FY07
  - 50 positions approved for the Sitter-Barfoot Veterans Care Center in FY07; 183 additional positions in FY08
- **Benefits Services**
  - 3 veterans services representative positions approved for FY07
  - 2 full-time administrative positions and 8 part-time administrative positions approved for FY07 (the 8 part-time to be converted to full time in FY08)
- **Cemeteries Services:**
  - 5 positions approved for FY07 (2 groundskeepers; 1 mechanic; 2 administrative) to be distributed between Suffolk and Amelia
  - Moving forward with securing property for a third cemetery in southwest Virginia
- **Educational Services (State Approving Authority):**
  - 2 Educational Service Specialists (1 in Roanoke; 1 in Tidewater)
- **Capital Budget**
  - \$3.6 million in additional construction for Sitter-Barfoot Veterans Care Center
  - Authorized to accept donation of land from the Radford Army Ammunition Plant for construction of cemetery in Southwest Virginia
  - \$14.6 million, representing the Commonwealth's 35% share of constructions costs, for the Hampton Roads Veterans Care Center

### **Overview of the Virginia War Memorial Foundation**

Harry Warner, Executive Director, gave a brief overview of the operations/activities of the Virginia War Memorial Educational Foundation in its efforts to raise monies. Discussion followed.

In particular, Margaret Eure commented that her understanding of the original intent of the VSF was to manage the allocation of monies donated to the Veterans Services Fund, which were donated for veterans cemeteries and care centers. In the past, she had questioned why no funds were appropriated by the General Assembly for this purpose. However, it was understood that it would be very difficult for the Foundation to do fund raising. If general fund monies were appropriated, it must be supported by the state. She further stated that based on outcomes of the April 13<sup>th</sup> Retreat, other goals were established.

She stated that since the mass of the military are in Virginia Beach/Hampton Roads, a possible project would be to build a Veterans Service Center in the Virginia Beach/Hampton Roads area to be staffed with DVS employees to assist veterans in that area regarding medical care, cemeteries, etc.

### **Comments from Chairs**

Chairman Hanson commended Commissioner Burgess for his leadership in hiring a strong staff and for reinvigorating the Department of Veterans Services, and reiterated that a good staff is crucial in strengthening the Department's efforts to meet the needs of veterans in Virginia. He again welcomed Anne Atkins and Armistead Ransone to the DVS team.

Chairman Hanson reiterated Mrs. Eure's concern regarding the original intent and the primary charter of the VSF, which was to manage the donations designated to the Virginia Veterans Care Center and to make sure funds were used appropriately and per the donor's intent. He stated that a cause of concern for the future is to make sure this is done. However, since then, the VSF has looked at other opportunities, and this may have caused some confusion regarding the need for the Foundation.

Paul Galanti, newly elected Chairman of the Board of Veterans Services, also commented regarding his concern of the VSF being a funded state agency, primarily because of the difficulties faced with a governmental entity raising monies. He questioned if there were any other agencies in state government that had appropriated funding for foundations. Senior Assistant Attorney General Don Ferguson concurred that to his knowledge there were none.

Mr. Galanti stated that the BVS is moving forward due to the leadership experience of Commissioner Burgess, and he expected to see continued growth of the Department under his leadership.

### **New Business**

#### **Veterans Services Fund Quarterly Update**

Commissioner Burgess prefaced the Quarterly Update by saying that he had requested Armistead Ransone to propose the idea of presenting the VSF a yearly budget for the care centers regarding funds received in donations and to have the VSF consider authorizing through the Department (under the authority of Mr. Ransone) and allowing the approval of those funds within the budget instead of coming before the Foundation with every individual donation. This would free the Foundation to deal with the larger issues at hand.

Mr. Ransone distributed a “Draft Policy for Operations of the Veterans Services Foundation Fund” and attached *Request for Expenditure* forms for the Foundation’s review. He explained the current process regarding receipt of funds at the Care Center. He stated that a proposed policy had been developed and mirrored guidelines used at the Department of Mental Health, Mental Retardation and Substance Abuse Services and other agencies that operate local funds, such as Catawba Hospital, Eastern State Hospital, Central State Hospital, etc. Only donations for local activities will be deposited in local funds; no state monies are involved.

He explained that the Care Center will establish a committee called the “VVCC Residents’ Assistance Fund Committee.” Prior to the beginning of the fiscal year, the committee will determine what the proposed needs for the upcoming year would be. A budget would then be developed based on anticipated revenue or revenue on hand. As special needs or planned events arise, the designated person in charge of the activity will make a request to the VVCC Resident’s Assistance Fund Committee. Once funds are approved by the Committee, checks will be written from a local account. All funds will be audited annually by the State Auditor of Public Accounts.

He stated that the new financial management system (which will be in operation soon) will allow funds to be tracked daily, each time a check is received. This will provide ready access to up-to-date information on where monies come from and how monies are spent.

Mr. Louthan inquired how much this procedure would cost the state, in terms of time and staff. Mr. Ransone responded that no additional expenditures would incur, as this would be a part of normal on-going activities.

Commissioner Burgess stated that Mr. Ransone would attend each Foundation meeting and give a status of the fund and answer any questions.

Chairman Hanson stated that with this process in place, the VVCC Resident’s Assistance Fund Committee will manage the VVCC Resident Benefit Fund. This validates the original intent when the Foundation was first established. He summarized that through the financial management system, DVS will be aware of the monies donated to each veterans care center and also know how monies are spent. The Department and the VSF will be able to look at and track these funds, which will alleviate the opportunity for mischief.

Ray Smoot asked about monies that are contributed to the Veterans Service Foundation, unrelated to the Care Center needs (undesignated funds). Specifically, he asked what guidelines/procedures have been developed to spend undesignated funds. Steven Combs explained that under the present system, there are undesignated funds (\$250,000) in the Veterans Services Fund, and that these funds are on the books of the Office of the Comptroller. All monies (designated and undesignated) were deposited in the state account, as there had been no projected budgeting at that time. With the proposed new system, the Foundation will approve the year’s budget ahead of time. Mr. Ransone added that to spend undesignated funds, DVS would need to get authority from the Foundation to have those monies transferred out of the state account into the local account.

Mrs. Eure complimented staff on the development of the draft policy and procedure. She suggested two changes:

1. On the *Donation Receipt Form* - Add the phrase “all donations are tax deductible”
2. On the *Request for Expenditure of VVCC Resident Benefit Funds Form* - Have expenditures paid by check, rather than by credit card. If, however, credit cards are to be used for expenditures, place a limit on its use

Mr. Ransone clarified that under the state purchasing guidelines, in order to buy from the state contract, all purchases must be made using the purchasing credit card (P-card). Dollar limits on the use of the P-card varies. However, he stated that whoever makes the purchase will have prior approved authority from the VVCC Resident’s Assistance Fund Committee.

Commissioner Burgess suggested that concerns will be addressed, and the revised *Draft Policy for Operating the Veterans Services Fund* will be discussed and voted on at the next VSF meeting. In addition, Mr. Ransone will also prepare a proposed budget separating funds designated for cemeteries, care centers, etc. for VSF consideration at the next meeting.

Mr. Loutham reiterated that he would like to see the undesignated funds transferred from the state account into a local account. Mr. Galanti suggested the use Raiser’s Edge software to keep track of donations.

### **Executive Order Number Nineteen (2006) (EO 19)**

Mr. Combs distributed EO 19 to Foundation members. He stated that EO was signed by Governor Kaine, effective June 16, 2006, and outlines a number of steps that the Commonwealth of Virginia government will take to reinvigorate and improve services for Virginia’s veterans. A summary sheet outlining the highlights of the EO was also attached.

Mr. Combs summarized that the DVS will establish a comprehensive baseline measurement of current services provided by all state agencies and identify opportunities for improving those services. The Governor has directed that all state agencies also identify ways to partner with DVS on ways to offer new, expanded, or customized services by April 30, 2007.

EO 19 also directs the Commissioner of Veterans Services and the Veterans Services Foundation to continue to give high priority to efforts to obtain federal grants, private contributions, and other resources for improving services to veterans in Virginia.

### **Next Steps/ Election of New Chair**

Chairman Hanson stated that the July 26<sup>th</sup> meeting would be his last meeting as Chair of the Foundation, although he would continue to serve as a member to the end of his term. He expressed his honor in having served as chair and praised the high-caliber talent of the membership. He commented that the next chair must take steps to make sure that the focus is on meeting the needs of veterans in a way that does not interfere with any other group’s mandates. He suggested that the Foundation consider whether it will try to solve problems to fund projects

or if this is beyond the purview of the Foundation. He emphasized that this decision can only be made with the input of the public and veterans organizations.

Mr. Smoot thanked Mr. Hanson for his service as Chair. Members recognized him with applause.

Mr. Smoot then nominated Lydia Dudley as Chair. Mrs. Eure seconded the nomination. Chairman Hanson asked for any nominations from the floor. There being none, a motion was made and seconded that the nominations be closed. A unanimous vote was taken that Mrs. Dudley would serve as Chair.

Chairman Hanson nominated Mr. Smoot as Vice-Chair. Mr. Louthan seconded the nomination. Chairman Hanson asked for any nominations from the floor. There being none, a motion was made and seconded that the nominations be closed. A unanimous vote was taken that Mr. Smoot would serve as Vice-Chair.

### **Public Comment Period**

Roger Sullivan, Virginia Veterans Coalition, introduced Roger Overstreet and Bill Bartlett. He asked several questions regarding the Foundation's accomplishments that have benefited veterans in the Commonwealth since its existence. Chairman Hanson responded that the Foundation had brought order to the funds in the Veterans Services Fund, and has assured that resources that were set aside for veterans at the Veterans Care Center were managed appropriately. Mrs. Eure responded that all monies spent/received have been tracked and the Foundation was also responsible for approving the use of up to \$50,000 to pay for fuel, gravel, and construction of the replacement walking trail and exercise stations on the grounds of the McGuire VA Medical Center.

Mr. Sullivan stated that there was a fear of giving money to the Care Center because people were not sure where the monies were being spent. Chairman Hanson responded that if donations are designated, funds will be spent on the specific designation. If it is a general gift (undesignated), monies will be spent where there are needs.

Mr. Sullivan further asked if the Foundation had raised funds for any specific purpose. Chairman Hanson responded that the Foundation had not identified specific purposes for raising monies. However, he stated, the Foundation can decide if it has a purpose and whether it is fulfilling the mandate for which it was formed. His concern was that the Foundation not "step outside" of its mandate. A major concern was whether the Foundation is a fund raising organization or a management organization.

Mr. Hanson further stated that the Foundation identified opportunities and needs at its April 13<sup>th</sup> Retreat. He stated that the primary concern was to spend monies responsibly. Mrs. Dudley stated that the Foundation has been very conscientious to do the right thing rather than rush in any direction. Beyond getting a handle on managing the funds in the Veterans Services Fund, the Foundation wanted to know what it really needed to do and what would be reflected as the wishes of the Board of Veterans Services and Joint Leadership Council.

**Determine Date and Location of Next Meeting**

Mr. Smoot stated that he had met with Roz Trent regarding fund raising and other issues regarding the responsibilities of the Foundation. He asked that he and Mrs. Trent share some of the discussion at the next meeting.

The next meeting of the Foundation will be Wednesday, October 4, 2006 at 11:00 a.m. at the American Legion Building.

**Adjournment**

Mr. Smoot made a motion and Mrs. Eure seconded that the meeting be adjourned. There being no further business, the meeting adjourned at 1:20 p.m.